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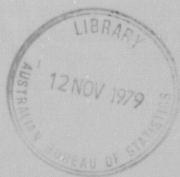


**AUSTRALIAN
STATISTICS
ADVISORY
COUNCIL**

**Annual Report
1978-79**

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Australian Government Publishing Service
Canberra 1979

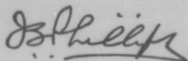
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The Honourable John Howard, M.P.
Treasurer of the Commonwealth of Australia

I have pleasure in submitting the Report of the Australian Statistics Advisory Council for the year ended 30 June 1979.

The Report outlines the work undertaken by the Council and is submitted to you, for presentation to Parliament, under section 24 (2) of the *Australian Bureau of Statistics Act 1975*.



J. G. PHILLIPS
Chairman

7 August 1979

The Council has again been greatly assisted by the work of the Statistician and his officers in providing detailed papers together with other information sought by members. The courtesy and efficiency with which Secretariat and other services have been provided is warmly acknowledged.

Australian Statistics Advisory Council membership as at 30 June 1979

Sir John Phillips	Chairman
Mr R. J. Cameron	Australian Statistician
Mr R. G. Bowe	Senior Administrative Officer, Treasury, Western Australia
Dr L. A. Brodribb	Managing Director, M. Brodribb Pty Ltd
Sir Samuel Burston	President, Australian Woolgrowers and Graziers Council
Mr A. S. Collier	First Assistant Director-General, Department of Social Security
Mr D. J. Delaney	First Assistant Secretary, Premier's Department, Victoria
Prof. J. McB. Grant	Professor of Applied Economics, University of Tasmania
Mr W. J. Henderson	Director-General, National Trade and Industry Council of the Confederation of Australian Industry
Prof. M. S. T. Hobbs	Associate Professor of Social and Preventive Medicine, University of Western Australia
Dr M. S. Keating	First Assistant Secretary, Department of the Prime Minister and Cabinet
Mr J. E. McDonnell	Under Secretary, Department of Labour Relations, Queensland
Mr J. V. Monaghan	First Assistant Secretary, Department of the Treasury
Dr W. E. Norton	Principal Research Economist, Research Department, Reserve Bank of Australia
Mr N. Oakes	Under Secretary and Comptroller of Accounts, The Treasury, New South Wales
Mr W. J. Orme	Executive Member, New South Wales Privacy Committee
Mr R. N. Overall ¹	Research Officer, Australian Council of Trade Unions
Mr R. J. Rechner	Group Director, The Myer Emporium Ltd
Mr A. M. Smith	Director, Economics Division, Department of Economic Development, South Australia

Changes in membership since 30 June 1978

January 1979	Mr Bowe appointed to succeed Mr L. E. McCarrey Dr Keating appointed to succeed Mr I. Castles Mr McDonnell appointed to succeed Mr R. S. Skeates Ms Marsh appointed to succeed Mr R. A. Jolly Mr Monaghan appointed to succeed Mr C. R. Rye
July 1979	Mr Overall appointed to succeed Ms J. I. Marsh

¹ Appointed July 1979

1. Introduction

The Australian Statistics Advisory Council was established by the *Australian Bureau of Statistics Act 1975*.

This is the third annual report of the Council, and is made in accordance with section 24(2) of the Act which provides that: 'the Council shall, as soon as practicable after 30 June in each year, prepare and submit to the Minister, for presentation to the Parliament, a report relating to matters connected with the operation of this Act'.

Under section 18(1) of the Australian Bureau of Statistics Act, the Council is to advise the Minister and the Statistician on:

- (a) The improvement, extension and co-ordination of statistical services provided for public purposes in Australia;
- (b) annual and longer term priorities and programs of work that should be adopted in relation to major aspects of the provision of those statistical services; and
- (c) any other matters relating generally to those statistical services.'

The Act enables the Minister or the Statistician to seek the advice of the Council on these matters. The Council also offers advice on these matters to the Minister or the Statistician when it considers it appropriate to do so.

2. Summary of the year's activities

Council meetings

During 1978-79 the Council held three meetings in Canberra, on 3 July 1978, 8 November 1978 and 14 March 1979. As well as the matters discussed at these meetings, this report includes reference to discussion about the 1981 Population Census at the first meeting in 1979-80 held on 11-12 July 1979.

Council considered a wide range of topics as part of its continuing review of statistical priorities and the work programs of the ABS. Additional subjects of discussion included statistical requirements of the States and data collections by Commonwealth Government departments and authorities.

Preparation for 1981 Census of Population and Housing

Council discussed preparations for the 1981 Census at its November 1978 and March 1979 meetings, and again at its July 1979 meeting. These discussions were a central part of the Council's work for the year, because of the importance placed on the census as a source of socio-economic data in Australia and because of the amount of expenditure involved.

In considering the range of topics to be included in the census form, Council was mindful of the problems encountered by the ABS at the time of the 1976 Census

when there was some opposition to the number of questions asked and also, on the grounds of intrusion into privacy, to the nature of some questions. Council welcomed the steps taken by the ABS to invite submissions from users on topics for the 1981 Census and the subsequent procedures for evaluation of these submissions, involving consideration by ad hoc committees which included representatives of major users and persons with special expertise in the subjects concerned.

Council discussed the topics proposed by the ABS for inclusion in or exclusion from the form. While it suggested a few changes, it supports the Statistician's intention to recommend a much smaller number of questions than had been asked in 1976.

The Council was informed of investigations by the ABS into the possibility of excluding names from the form. It noted the use made of names in the collection, processing and post-enumeration survey phases of the census and also noted that there was no recorded instance of an anonymous census in any country. Tests by the Bureau had shown that there was little objection by householders to supplying names and that an anonymous schedule would have adverse effects on the accuracy of the information obtained. The Council considers that names should be included in the 1981 Census.

Council is firmly convinced that public response to the census could be improved in both accuracy and completeness by undertaking a substantial public awareness campaign prior to the census, and recommends that this be done.

Because it is intended to ask a much smaller number of questions than in 1976 and because of the importance of small area data and cross-tabulations, the Council's view is that use of sampling techniques in the census of 1981 would not be warranted.

Council endorses proposals that envelopes, in which respondents could enclose and seal their returns, should be provided on request, and that measures should be taken to reduce the under-enumeration that had occurred in 1976. It considered suggestions, raised in a discussion paper released by the Law Reform Commission in April 1979, that the census be conducted on a voluntary basis, that there be a right of subsequent access by persons to information they had provided on census forms, that the mail be used for the dispatch or return of census forms and that individual census information be retained for archival purposes. Council endorses the Statistician's opinion that the value of the census would be likely to be considerably reduced if these suggestions were adopted, because of a substantial diminution in the accuracy and completeness of response. Council also considers that the past practice of destroying census forms should be maintained in order to demonstrate confidentiality and thus help to ensure that the quality of data provided by householders is not jeopardised.

ABS work programs

The Council has devoted substantial time to examination of statistical priorities and consideration of proposals for the forward work programs of the ABS.

This year the Council was able to consider a draft of the ABS forward work program for the years 1979-80 to 1981-82 in time to enable advice to be offered to the Treasurer in advance of his consideration of the Statistician's proposals.

The Council paid particular attention to the resource problems faced by the ABS in conducting a census of retail establishments for 1979-80, for which the main resource requirements will occur in 1980-81 and 1981-82. It is a feature of such major projects that a decision to proceed has to be taken well in advance of the actual collection

and well before staff ceilings are determined for the relevant years. Because of the large number of retail firms and the amount of detail desired by users, the resources required by the ABS for a retail census are so large that they could not be found within the present level without substantial disruption to ongoing series. The Council agreed that the conduct of a retail census is of major importance, both in order to satisfy the direct needs of users and to provide the essential framework for monthly and quarterly retail surveys.

The Council reviewed the possibilities of deferring or eliminating some other major continuing or planned collections, as a means of obtaining by redeployment part of the additional resources required for the conduct of a retail census. In particular, the Statistician had drawn attention to the census of manufacturing for 1979-80 as a project engaging substantial resources capable of being redeployed to a retail census. The Council took the view that continuation of the annual manufacturing census was of high priority in current circumstances, and suggested the desirability of the Government giving an assurance that special provision would be made for an increased staff ceiling in 1980-81, sufficient to provide for the retail census in addition to the resources required for other elements in the work program. The Council pointed out that the resources for projects in the work program had been rigorously reviewed, with the aim of staying within a small growth of staff numbers and finance over the three-year period. A major element in the work program is the necessary preparation for transfer of statistical processing systems from the existing to the proposed new computer equipment.

It seems clear that the scarcity of funds and resources available to the Bureau is likely to continue for some time. In its future work, Council therefore proposes to review carefully requests from users for additional statistical collections, to ensure as far as possible that available resources are put to the most important uses.

Cost of ABS programs

An estimate was presented to Council of total expenditure by the ABS in 1977-78 on each field of statistics, involving a dissection of expenditure among direct statistical projects and statistical service projects, direct and indirect. Similar data will be included in the ABS Annual Report for 1978-79.

Review reports

The Council examined reports on reviews that had been undertaken of user needs and the deployment of ABS resources in several fields of statistics. These were presented by the Statistician to illustrate the procedures adopted in such reviews.

Council commended the ABS on the extent of involvement of users in the reviews and acknowledged the difficulties in meeting their demands. Such reviews seem adequate to establish priorities within related areas of statistics and may identify needs or resource uses of relatively lower priority. But there remains the more difficult task of judging priorities between different areas of statistics.

Man-year ceilings

The Council noted that the ABS had obtained approval for a staff ceiling specified in terms of man-years. This should be particularly valuable in coping with the peaks and troughs experienced in the workload during each year.

Manufacturing industry statistics

The Council endorsed a proposal for a seminar at which the role and objectives of the Bureau could be explained to suppliers and users of manufacturing industry data. The object would be to promote a better understanding of problems associated with the collection, processing and dissemination of official statistics and indirectly to improve the quality and timeliness of response to statistical collections.

Social welfare statistics

In examining the need for more comprehensive statistics for the development, administration and evaluation of social welfare programs, the Council noted that there was a need for continuing work to be done on the standardisation of social welfare data recorded by Commonwealth, State and local government agencies and private organisations. A major obstacle to achieving wider scope and greater comparability between States of figures in the health and welfare area is that there are substantial differences of view among State authorities, which need to be reconciled before uniform definitions can be adopted.

Labour market statistics

The Council examined the range of labour market statistics currently available in Australia. Among the aspects discussed were international reviews of the definition of unemployment, the information available on discouraged job seekers and persons not in the labour force, problems in providing information on flows of people between labour force categories and problems in estimating average weekly earnings and non-wage labour costs.

Council acknowledged the importance of providing information that could increase public understanding of the labour market in current conditions of high unemployment, but recognised the limitations imposed by resource constraints. The Council was informed that manpower programs had been augmented substantially in recent years and that the ABS had recently been allowed additional resources for the specific purposes of reintroducing a quarterly survey of job vacancies, commencing a monthly survey of overtime hours to replace an existing survey by the Department of Employment and Youth Affairs, and conducting a feasibility study of a survey of non-wage labour costs. Council agreed that the diversion of resources to achieve further improvements in this field of statistics had to be weighed against the need for resources to achieve improvements in other areas.

The Council noted that as a part of its ongoing review of major statistical programs the ABS would be examining its entire manpower program. Although the prime aim of the review would be to rationalise the use of resources, it would nevertheless provide an opportunity to reassess the needs of users.

Council members suggested that the ABS make more widely known the range of statistics available on labour market issues that were of public concern from time to time.

State statistical requirements

State requirements for domestic production accounts

The Council took note of the requirements of State Governments for estimates of income and expenditure aggregates as components of State domestic production accounts.

Estimates for each State for most aggregates relating to household income and expenditure are published and several other aggregates are currently compiled by State. However, the Council was informed that, at this stage, it would not be possible to produce estimates of annual State gross product until two years after the reference period. Even then, because of conceptual problems and the lack of important data, inter-State or inter-year comparisons would not be reliable. Investigations are continuing into the costs and feasibility of making further progress in meeting State requests.

Availability of seasonally adjusted indicators of economic activity

The Council noted the seasonally adjusted indicators available nationally and by State, and requested the Statistician to discuss with State authorities the seasonal adjustment of additional data of particular interest to the States.

Interstate trade statistics

The Council was informed that the ABS had agreed to a request from the South Australian Government to conduct a sample survey in each of the four quarters of 1978-79, asking private businesses in South Australia for details, by broad commodity groups, of goods traded interstate.

Data collections by Commonwealth and State authorities

In response to a request from the Council, the ABS has carried out a preliminary survey of the collection of data by Commonwealth Departments and Authorities, with the immediate aim of producing a users' guide to official data sources, and the longer term objective of establishing an information base which would assist the Council, and the Bureau, in determining statistical priorities.

A substantial amount of work remains to be done in connection with the further development of the project. It is the Bureau's intention that, subject to resource constraints, this work will be proceeded with as speedily as possible.

Council noted that work is proceeding on a similar register of collections by State authorities, under the auspices of statistics co-ordination bodies of the States and stressed the benefits that would accrue from close consultation between the ABS and these bodies.

